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USDOC FOR 532/OEA/MCANNER
USDOC FOR 3132 FOR FCS/OIO REGIONAL DIRECTOR PATRICK SANTILLO
BICE FOR OFFICE OF STRATEGIC INVESTIGATIONS

SIPDIS

E.O. 12958: N/A

TAGS: [BMGT](#) [BEXP](#) [HK](#) [ETRD](#) [ETTC](#)

SUBJECT: EXTRANCHECK: PRE-LICENSE CHECK: EGS (ASIA) LIMITED

REF: A) BIS e-mail PLC request dated October 14, 2009 B) D423559

11. Unauthorized disclosure of the information provided below is prohibited by Section 12C of the Export Administration Act.

12. As per reftel A request and at the direction of the Office of Enforcement Analysis (OEA) of the USDOC Bureau of Industry and Security (BIS), Export Control Officer Philip Ankel (ECO), conducted a pre-license check at EGS (Asia) Limited, 9th Floor South, Somerset House, Taikoo, Quarry Bay, Hong Kong (EGS). The purpose of the visit was to determine the suitability of EGS to be the ultimate consignee and end user of an Orion inertial navigation system that is the subject of license application D423559. The item (ECCN 7A103) is controlled for missile technology (MT) reasons. The license applicant is Teledyne TSS Ltd of the United Kingdom.

13. A search of the Hong Kong Companies Registry reveals that EGS has been in existence since 1996. Its registered capital is the Hong Kong equivalent of USD 1.5 million.

14. A review of the company's web site (www.egssurvey.com) reveals that the EGS Group (of which EGS in Hong Kong is a part) is an international group of companies that provides earth science and oceanographic services including geophysical surveying and hydrographic surveying and.

15. On November 3, 2009, ECO visited the company and met with Mr. Leung Kong Wing, Anderson, Operation Manager, Electronics Division. Mr. Leung provided background on the company and its operations in Hong Kong. He stated that EGS in Hong Kong had, for example, provided significant survey work in support of the construction of the Hong Kong international airport as well as the construction of bridges in Hong Kong. Typically, the company is a subcontractor for larger HK government contractors. Mr. Leung stated that his company is unable to operate in Mainland China because of China's limitation on the use of foreign (non-mainland) service providers in this field.

16. As to the specific item that is the subject of license application D423559, Mr. Leung stated that it would be used to upgrade existing equipment used for seabed mapping. Mr. Leung stated that the item would be used on a EGS vessel and would not be provided to third parties (whether independently or as part of the vessel).

17. Based on the information detailed herein, ECO believes EGS to be a suitable recipient of controlled U.S. origin technology.

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